

Senate Bill No. 258

CHAPTER 39

An act to amend Section 12463.3 of, and to add Section 53895.5 to, the Government Code, and to amend Section 33080.6 of, and to add Section 33672.7 to, the Health and Safety Code, relating to redevelopment.

[Approved by Governor May 22, 1998. Filed with
Secretary of State May 22, 1998.]

LEGISLATIVE COUNSEL'S DIGEST

SB 258, Kopp. Redevelopment agencies: reporting requirements.

(1) Existing law requires the Controller to compile and annually publish, on or before April 1 of each year, reports of the financial transactions of each project area of each community redevelopment agency, as specified.

This bill would require the Controller to make the data used in the report available to the Legislature on or before April 1 of each year and would allow the Controller until May 1 of each year to publish the report.

(2) Existing law requires local agencies, including redevelopment agencies, to file certain financial reports with the Controller within enumerated time deadlines, and subjects officers of the agencies to specified monetary forfeitures for failure to comply.

This bill would increase the penalties for officers of a redevelopment agency for the failure or refusal to file the reports and would require the Controller to audit a redevelopment agency, at the agency's expense, that fails to file for 3 or more years.

(3) Existing law requires the Department of Housing and Community Development to compile and publish reports on or before April 1 of each year, on the activities of redevelopment agencies for the previous fiscal year, based on information reported by the redevelopment agencies. This law requires the department to provide each redevelopment agency for which information was provided under these provisions a copy of its report.

This bill would change the deadline for publishing the report to May 1 and require the Department of Housing and Community Development to send only executive summaries to those redevelopment agencies for which information was reported unless a copy of the report is requested.

(4) The existing Community Redevelopment Law requires the county auditor, upon the request of a redevelopment agency, to

prepare a statement that provides the amount of disbursement made pursuant to specified provisions of law.

This bill would also require the county auditor to prepare a statement for each project area that provides the amount of disbursement made pursuant to specified provisions of law. This requirement would impose a state-mandated local program.

(5) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

The people of the State of California do enact as follows:

SECTION 1. Section 12463.3 of the Government Code is amended to read:

12463.3. On or before May 1 of each year, the Controller shall compile and publish annually reports of the financial transactions of each community redevelopment agency created pursuant to Division 24 (commencing with Section 33000) of the Health and Safety Code. The Controller shall make the data available to the Legislature and its agents upon request, on or before April 1 of each year. The Controller shall publish this information for each project area of each redevelopment agency. The reports shall be made in the time, form, and manner prescribed by the Controller, after consultation with the Department of Housing and Community Development and the advisory committee created pursuant to Section 12463.1.

SEC. 2. Section 53895.5 is added to the Government Code, to read:

53895.5. (a) An officer of a community redevelopment agency who fails or refuses to make and file his or her report within 20 days after receipt of a written notice of the failure from the Controller shall forfeit to the state:

(1) One thousand dollars (\$1,000) in the case of a community redevelopment agency with total revenue, in the prior year, of less than one hundred thousand dollars (\$100,000), as reported in the Controller's annual financial reports.

(2) Two thousand five hundred dollars (\$2,500) in the case of a community redevelopment agency with total revenue, in the prior year, of at least one hundred thousand dollars (\$100,000), but less

than two hundred fifty thousand dollars (\$250,000), as reported in the Controller's annual financial reports.

(3) Five thousand dollars (\$5,000) in the case of a community redevelopment agency with total revenue, in the prior year, of at least two hundred fifty thousand dollars (\$250,000), as reported in the Controller's annual financial reports.

(b) An officer of a community redevelopment agency who fails or refuses to make and file his or her report within 20 days after receipt of a written notice of the failure from the Controller in the second or more consecutive year shall forfeit to the state:

(1) Two thousand dollars (\$2,000) in the case of a community redevelopment agency with total revenue, in the prior year, of less than one hundred thousand dollars (\$100,000), as reported in the Controller's annual financial reports.

(2) Five thousand dollars (\$5,000) in the case of a community redevelopment agency with total revenue, in the prior year, of at least one hundred thousand dollars (\$100,000) but less than two hundred fifty thousand dollars (\$250,000), as reported in the Controller's annual financial reports.

(3) Ten thousand dollars (\$10,000) in the case of a community redevelopment agency with total revenue, in the prior year, of at least two hundred fifty thousand dollars (\$250,000), as reported in the Controller's annual financial reports.

(c) In the case of a community redevelopment agency that fails or refuses to make and file its report within 20 days after receipt of a written notice of the failure from the Controller in the third or more consecutive year, the Controller shall conduct or cause to be conducted an independent financial audit report consistent with the requirements of Section 33080.1 of the Health and Safety Code. The community redevelopment agency shall reimburse the Controller for the cost of complying with this subdivision. The community redevelopment agency shall not use any of the money in the Low and Moderate Income Housing Fund to reimburse the Controller.

(d) Upon the request of the Controller, the Attorney General shall prosecute an action for the forfeiture in the name of the people of the State of California.

(e) A community redevelopment agency that makes a forfeiture or payment pursuant to this section shall still file the report required pursuant to Section 53891.

SEC. 3. Section 33080.6 of the Health and Safety Code is amended to read:

33080.6. On or before May 1 of each year, the department shall compile and publish reports of the activities of redevelopment agencies for the previous fiscal year, based on the information reported pursuant to subdivision (c) of Section 33080.1 and reporting the types of findings made by agencies pursuant to paragraph (1), (2), or (3) of subdivision (a) of Section 33334.2, including the date of

the findings. The department's compilation shall also report on the project area mergers reported pursuant to Section 33488. The department shall publish this information for each project area of each redevelopment agency. These reports may also contain the biennial review of relocation assistance required by Section 50460. The first report published pursuant to this section shall be for the 1984–85 fiscal year. For fiscal year 1987–88 and succeeding fiscal years, the report shall contain a list of those project areas which are not subject to the requirements of Section 33413.

The department shall send a copy of the executive summary of its report to each redevelopment agency for which information was reported pursuant to Section 33080.1 for the fiscal year covered by the report. The department shall send a copy of its report to each redevelopment agency that requests a copy.

SEC. 4. Section 33672.7 is added to the Health and Safety Code, to read:

33672.7. On or before August 15 of each year, the county auditor or other officer responsible for allocation of tax revenues pursuant to Section 33670 shall prepare a statement for each project area that provides the amount of disbursement made in the prior fiscal year pursuant to Section 33670 and the amounts of disbursement made pursuant to Sections 33401, 33607.5, 33607.7, and 33676.

SEC. 5. This act is intended to implement the recommendations of the Task Force on Redevelopment Agencies' Affordable Housing Reports, convened by the Chair of the Senate Committee on Housing and Land Use. The recommendations were contained in the report, "Timely, Accurate, and Reliable" issued by the task force on July 7, 1997.

SEC. 6. Notwithstanding Section 17610 of the Government Code, if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. If the statewide cost of the claim for reimbursement does not exceed one million dollars (\$1,000,000), reimbursement shall be made from the State Mandates Claims Fund.

Notwithstanding Section 17580 of the Government Code, unless otherwise specified, the provisions of this act shall become operative on the same date that the act takes effect pursuant to the California Constitution.

